

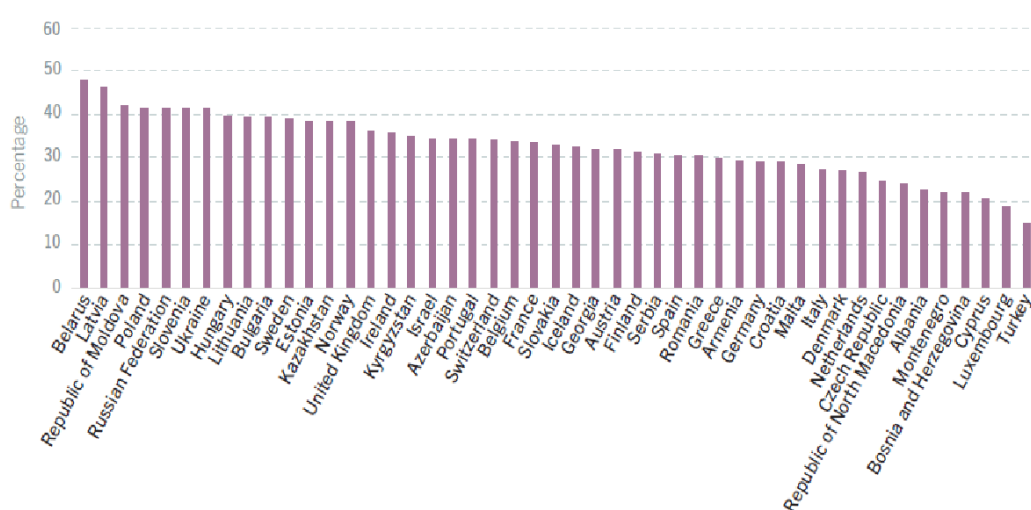
## The Process of Executive Search: Why Do So Few Women Get Selected?

### 1. Where do we stand?

Many people believe that we are past not having enough women in management positions. Yet, looking at the data, it is clear that women's share in management positions does not reach 50%, and a significant difference among the countries is visible.

### Share of women in management, 2017

Panel D. Europe and Central Asia



Note: Data are from 2017, except for Kazakhstan (2013), Bosnia and Herzegovina (2015), Armenia and Kyrgyzstan (2016).

Source: Women in business and management: the business case for change / International Labour Office. - Geneva: ILO, 2019, p. 35; [https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms\\_700953.pdf](https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_700953.pdf)

Examining the Visegrad 4 countries (V4) we can see significant differences between them.

### Women at different levels of management in the V4 countries, 2017 (%)

	Hungary	Slovakia	Czech Republic	Poland
Female employment in managerial positions	39.4	32.8	24.6	41.3
Female employment in middle and senior management	37.6	30.3	24.1	38.2

Source: Women in Business and Management. The business case for change: Maps and charts [https://www.ilo.org/global/about-the-ilo/multimedia/maps-and-charts/enhanced/WCMS\\_698027/lang--en/index.htm](https://www.ilo.org/global/about-the-ilo/multimedia/maps-and-charts/enhanced/WCMS_698027/lang--en/index.htm) Retrieved: 24.02.2021.

In our research, we were looking to find answers for the question of why so few women are in management positions and where and how do women are lost in the executive search procedure. In order to find the answers, we conducted qualitative interviews with executive search firms and company decision makers in the V4 countries and Croatia.

#### Distribution of Interviews

	Headhunter	Company decision maker
Hungary (18)	9	9
Czechia (7)	5	2
Slovakia (6)	1	5
Poland (11)	6	5
Croatia (3)	0	3
Total:	21	24

## 2. Why do we not have more women? How can we increase the representation of women in top management?

Experiences in the V4 countries are varied. One of the main reasons for this is that Poland has the shortest maternity leave (20 weeks paid maternity leave and 32 weeks paid parental leave), and a small number of childcare facilities (OECD, 2021).

**Polish and Hungarian interview participants** (headhunters and companies alike) **all commented on the limiting effects of their societies' conservative attitudes. Additionally**, in these countries, the issue of the limited level of intercultural openness was often mentioned, while in Hungary another factor, the unequal distribution of housework, was mentioned and that caring for children is essentially regarded as the woman's job.

*„Basically, most of the housework is the duty of the women and if on the top of that a woman takes on the work of raising a child, then the housework really becomes the role of the woman. Hungary also lacks infrastructure to help lift the burden of some of the roles. (HU, male CEO of a company)*

Interviewees provided ideas for solution of the complex problem on how we could increase the percentage of women in top management. Many mentioned the role of institutions: **schools should do more**, for example, by way of career advice, so that gender stereotypes cannot affect the choice of career. Many multinational companies are prioritising gender diversity, but the **companies could do even more and earlier**, like helping school girls to consider other careers.

There were many respondents who **trusted classic company policies**: for example, in creating **flexible work** opportunities, providing **role models for women**, or **providing female talent programmes**.

Many Hungarian respondents suggested that **women are reluctant to take on high responsibility jobs**, so it is the women who should be trained.

There were suggestions that **government regulations** are important. That is, central government should create mechanisms that **expect and enforce equality between the sexes**.

### 3. Headhunter-Client Contract

Top positions are being filled by the help of executive research firms (headhunters), even in companies that strongly believe in the policy of filling positions from inside, or those that have HR departments that are more than capable of searching for top candidates.

Clients view headhunters as expensive, but they are convinced that they provide high quality services and expect them to introduce candidates that they could not have contacted themselves, or ones that they do not know, who are new to the organisation.

**The position of headhunters is much more homogeneous than that of the clients'.**

The headhunters do a systematic search, so potentially map out the market very well. But the client and the headhunter usually **do not sign a success fee contract**, but rather **give guarantees** on the suitability of the candidate (usually for 6 months or a year). This means that if a candidate leaves the position within this period, the headhunter needs to conduct another search for free of charge.

This **strongly motivates the headhunter to find a candidate that will definitely stay at the client's organisation**, ensuring both the client and the candidate are happy till the end of the guarantee period. For this reason, **it is not in the headhunter's interest to introduce a candidate who is risky** (Risberg, Romani, 2021); rather, they will only introduce candidates, who, if chosen, will be happy at the client's company, and the client will be happy about him/her. This results in choosing the same type of candidates that are already successful in the organisation (Holgerson, 2013). Even when the client specifically asks for "fresh blood" or diversification of their talent, the headhunter takes the smallest possible risk and the candidates that are really different will not make it to the short list.

*„this is not just a rosy picture, this is very risky, because at the end of the day for us the most important is that both parties are happy, and that we do not need to redo the whole process under guarantee. So, we have great responsibility in this.“* (HU, female headhunter)

### 4. The organisational culture

Both the headhunters and the company experts find it important "to have chemistry" between the chosen leader and the employees (managers, subordinates of the candidate). Therefore, the **company culture** is of utmost importance during the search process. **Headhunters treat the importance of fitting in the company culture as priority**. The culture of the organisation is seldom questioned, so they aim **to find the candidate who fits in and does not change it**.

Consequently, the headhunters would typically support the female candidates able to fulfil the criteria set by men, for men. They often believe in the notion that **women have to be changed**, (*fix the women*: Ely, Meyerson, 2000), in order to be acceptable next to men, and they only give them chance if they already behave similarly to the men in positions. Although many headhunters and company leaders (including men) we talked to, were critical of the strong masculine culture of companies, they still thought that for this to change, women have to change, in order to enter the organisations' management positions.

### 5. Company Policies

**Diversity and Inclusion** initiatives are widely present in organisations in most countries. One of the most easily attainable goals of diversity programmes is the gender diversity one, but many companies

mentioned age diversity, too. This is also important as it was mentioned that for women, career options starts to close at the age of 45. Most of those who **mentioned diversity**, also mentioned the possibly achievable **business benefits** that come as a result of diversity.

The American based companies also reported about the **LMBTQ networks**, and about regular training for both blue and white collar workers.

Trust in diversity programmes **seemed to be stronger where there were initiatives in the given country** (e.g., joining some professional organisation, such as Diversity Charter) or **in the company's headquarters, too**.

**Headhunters mentioned D&I initiatives, but as ones that are important for clients, as they themselves have no issues with this**, as apparently in headhunting diversity is achieved.

Some companies mentioned, too, that they have a balanced workforce and so in this case **they do not think that they should be dealing with ensuring sustainability**.

**Several decision makers have participated in "unconscious bias" training** which, without exception, have been welcomed positively. Nevertheless, international literature had shown that this in itself is not enough - it only ticks off corporate steps (Noon, 2017; Williamson, Foley, 2018), without bringing initial results. The training could be successful if corporate policies also support change and transformation.

**Quotas** have been seldom mentioned but corporate players have mentioned examples when a strive for balanced ratio had to be achieved: some Polish companies are striving for a 50-50% when it comes to a gender short list for candidates and also in the case of chosen leaders. Most organisations, where there is a protocol, the criterion is that there is **at least one female candidate** on the short list and there is a regulation that at least one woman (from corporate side) is present during the recruitment.

## 6. Variances within V4-countries

The biggest differences connected to gender roles have been connected to motherhood. Hungarians, Slovaks and Czechs have been similar in **regarding mothers as the primarily caregiver and found it difficult to cope with a career**. This was especially true for Czechs, where parental leave is typically seldom under 2 and a half years.

**Polish women returned after shorter maternity leaves**, but mostly only because of a lack of childcare institutions: working women usually have nannies in their homes to take care of their child. This supports long working hours and/or travelling, so they do not have to adjust to institutional opening hours, not to mention a possible drop-out in case of a sick child.

Potential **Czech candidates have been described by some respondents to have been less mobile on the employee market and to change positions fewer times**. (This, in regard to mobility, has been true for males, too.) On the contrary, they have been thought to be more agile, focusing more on their career. Many have described **Polish candidates as „hungry for positions”**.

## 7. Room for maneuver to execute gender equality

Assignments are usually based on historic business relationships, so headhunters in many cases have a fair understanding of the client's expectations, but often are limited in their own latitude. Especially

when there are few potential female candidates in the specific field. This had been true for the tech industry leadership positions. Since given less candidates available, they have returned to well-known mechanisms more often.

**Moving towards a more balanced position had been often present theoretically.** There have been cases when companies have asked for female candidates on the short-list. Others have expressed that the client specifically asked for a more balanced short-list.

Headhunters, while **trying to find the perfect fit also try to widen their horizons**, putting in some who have not been obvious candidates. In other cases, it has been evident that both companies and headhunters should do more in this case, especially in regard to education.

**There had been an agreement regarding impact of childcare policy, like the system of long parental leave systems.** Consequently, we cannot predict that women with small children would be present in executive pools.

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